



## RAGBRAI TRADE PRACTICES FAQ

### Things of Value

1. Can industry members give, sell, or rent coolers/cooler bags/dump bins to on- or off-premises licensees?  
No. Manufacturers and wholesalers are prohibited from directly or indirectly supplying, furnishing, giving or paying for any equipment used in the storage, handling, serving or dispensing of alcoholic beverages and food. Iowa Code § 123.45 and 185 IAC 16.40.
2. Can industry members give, sell, or rent logoed buckets or pitchers to on- or off-premises licensees?  
No. Manufacturers and wholesalers are prohibited from directly or indirectly supplying, furnishing, giving or paying for any equipment used in the storage, handling, serving or dispensing of alcoholic beverages and food. Iowa Code § 123.45 and 185 IAC 16.40.
3. Can industry members give, sell, or rent tents, tables and/or chairs to on- or off-premises licensees?  
No. Manufacturers and wholesalers are prohibited from directly or indirectly giving, selling, renting, or lending equipment, furnishings or fixtures to a retailer for use by the retailer or in the retail establishment. Iowa Code § 123.45, 185 IAC 16.40 and 27 CFR 6.21.
4. Can industry members give, sell, or rent dispensing equipment, coil boxes or draft trucks with tapping equipment on the side to on- or off-premises licensees?  
No. Manufacturers and wholesalers are prohibited from directly or indirectly supplying, furnishing, giving or paying for any equipment used in the storage, handling, serving or dispensing of alcoholic beverages and food. Iowa Code § 123.45 and 185 IAC 16.40.
5. Can industry members park a refrigerated truck on an on- or off-premises licensed premises to store extra product in?  
No. Manufacturers and wholesalers are prohibited from directly or indirectly supplying, furnishing, giving or paying for any equipment used in the storage, handling, serving or dispensing of alcoholic beverages and food. Iowa Code § 123.45 and 185 IAC 16.40.
6. Can industry members give, sell, or rent a draft system or walk-in cooler to on- or off-premises licensees?  
No. Manufacturers and wholesalers are prohibited from directly or indirectly supplying, furnishing, giving or paying for any equipment used in the storage, handling, serving or dispensing of alcoholic beverages and food. Iowa Code § 123.45 and 185 IAC 16.40.
7. Can industry members give, sell, or loan t-shirts to on- or off-premises licensees for their employees to wear?  
Yes. Manufacturers and wholesalers may give, sell or loan t-shirts to retailer's employees as point-of-sale items. The t-shirts must bear substantial advertising matter about the product or the manufacturer or wholesaler. Anything offered to one retailer must be uniformly offered to all retailers. Iowa Code §§ 123.45, 123.123, 123.135, 123.172, 123.180 and 123.186; 27 C.F.R § 6.84.

## Things of Value (continued)

8. Can industry members sponsor a band or concert on licensed premises?  
Yes, as long as the sponsorships are not offered as an inducement to exclude a competitor's product. Anything offered to one retailer must be uniformly offered to all retailers. Iowa Code §§ 123.45, 123.123, 123.135, 123.172 and 123.180.
9. Can beer or wine industry members give disposable glassware to on- or off-premises licensees? No.  
Manufacturers and wholesalers must sell – not give – one-time usage cups made of paper, paper laminate, or plastic. Iowa law requires wholesalers to charge the retailer an amount equal to or greater than the cost of the one-time usage cups. Iowa Code § 123.45.
10. Can a retailer demand industry members provide kegs, glasses, etc., at no cost prior to agreeing to carry the industry member's product?  
While retailers may try to negotiate benefits from wholesalers, the law prohibits the granting of some requests. For all items not expressly prohibited, anything an industry member offers to one retailer must be uniformly offered to all retailers. Iowa Code §§ 123.45, 123.123, 123.135, 123.172, 123.180 and 123.186.

## Advertising

11. Can industry members provide outside banners with brand names and/or logos to on- or off- premises licenses?  
No. Iowa law prohibits advertising on the outside of licensed premises if the advertising contains a brand name or other matter readily identified with the brand. Thus, a manufacturer or wholesaler may provide outside banners to retailers as long as the banners do not contain a brand name, logo or other advertising manner readily identified with a brand name. Anything offered to one retailer must be uniformly offered to all retailers. Iowa Code §§ 123.51, 123.123, 123.135, 123.172 and 123.180.
12. Can industry members give, sell, or rent umbrellas for outdoor service area tables to on- premises licensees?  
Yes. Manufacturers and wholesalers may give, sell or rent table umbrellas to retailers as point-of-sale items. The umbrellas must bear substantial advertising matter about the product or the manufacturer or wholesaler. Anything offered to one retailer must be uniformly offered to all retailers. Iowa Code §§ 123.45, 123.123, 123.135, 123.172, 123.180 and 123.186; 27 C.F.R. § 6.84.

## Return of Product

13. Can industry members allow the return of beer, wine, or liquor that annual (12 month) on- or off-premise licensees ordered too much of or is not selling?  
No. Manufacturers and wholesalers are prohibited by both federal and state law from accepting the return of overstocked and slow-moving beer, wine or liquor. Iowa Code § 123.186, 185 IAC 16.90, and 27 C.F.R. § 11.45.
14. Can industry members allow the return of beer, wine, or liquor that seasonal (6 and 8 month) on- or off-premises licensees ordered too much of or is not selling?  
Manufacturers and wholesalers may accept the return of product from a seasonal licensee, if the product is likely to spoil during the off season. Manufacturers and wholesalers are under no obligation to accept the return the product. Iowa Code § 123.186; 27 C.F.R. §§ 11.31 and 11.39.

## Return of Product (continued)

15. Can industry members allow the return of beer, wine, or liquor that temporary (5-day and 14- day) on- or off-premises licensees ordered too much of?  
Yes. Manufacturers and wholesalers may accept the return of products that temporary licensees have on hand at the time the retailer terminates business. Manufacturers and wholesalers are under no obligation to accept the return the product. Iowa Code § 123.186, 185 IAC 16.90, and 27 C.F.R. § 11.35.

## Ordering Product

**Each licensee/permittee must order product under the unique license/permit granted to each premises.**

16. Can industry members sell an on- or off-premises licensee a 100 case buy and deliver half to each of the licensee's locations?  
No. Transferring products between retail premises is prohibited. Each premises is separately licensed and required to operate as a separate business. Each licensee/permittee must order product under the unique license/permit granted to each premises. Iowa Code §§ 123.123, 123.130, 123.172, 123.173, and 123.177.
17. Can licensees/permittees that are owned by the same person/entity share their alcoholic beverages inventory between their annual licensed location and temporary licensed location?  
No. Transferring products between retail premises is prohibited. Each premises is separately licensed and required to operate as a separate business. Each licensee/permittee must order product under the unique license/permit granted to each premises. Iowa Code §§ 123.123, 123.130, 123.172, 123.173, and 123.177.

## Pricing of Product

18. Can industry members donate beer, wine or liquor to on- or off-premises licensees?  
Yes, but since Iowa law prohibits manufacturers and wholesalers from discriminating between retailers, manufacturers or wholesalers must uniformly offer all rebates, free goods, or other discounts to all retailers. Iowa Code §§ 123.22, 123.123, 123.135, 123.172, and 123.180.
19. Can industry members give a quantity discount or rebate on beer, wine or liquor purchased by on- or off-premises licensees?  
Yes, but since Iowa law prohibits manufacturers and wholesalers from discriminating between retailers, manufacturers or wholesalers must uniformly offer all rebates, free goods, or other discounts to all retailers. Iowa Code §§ 123.22, 123.123, 123.135, 123.172, and 123.180.